

A BILL

FOR AN ACT REGULATING INSURANCE COMPANIES.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. That in any suit, on any policy of insurance, no breach of any of the conditions of said policy or of the application shall defeat the assured from a recovery on said policy unless the loss covered by said policy was caused in whole or in part by the breach of the conditions complained of; and the burden of proof shall be on the insurance company to prove that the loss or damage was occasioned in whole or in part by the breach of such conditions.

SEC. 2. In case the insurance company shall prove the loss or damage was occasioned in part by the breach of the conditions of the policy, then in that case it shall only defeat that part of the loss occasioned by the breach of the conditions of the policy, and no more.

SEC. 3. In all cases when the assured shall bring suit in any court, on any policy of insurance, and recover a judgment thereon, the court shall tax, as part of the costs, reasonable attorney's fees, to be fixed by the court, and the court may hear evidence as to the amount of such fees.

SEC. 4. If any foreign insurance company, doing business in this State, shall remove any suit against such company from the State court to the United States court, and the fact is certified under seal of the court from which said cause is transferred to the Auditor of the State of Iowa, it shall be the duty of the State Auditor to notify said company to show cause, within 60 days, why their license to do business in this State should not be revoked; and in case said company shall refuse to appear, or having appeared, shall refuse to agree that such shall be transferred to the State court from which it was taken, the State Auditor shall revoke the authority of such company to do business in Iowa, and notify all agents of such company in the State of such revocation; and such company shall not be permitted to do business in this State for two years, unless such company shall give a bond in such form as the Executive Council may adopt, in the sum of fifty thousand dollars, conditioned that said company will not remove suits on policies for loss to the United States Courts; and in case said company shall violate the conditions of such bond, by removing any suit to the United States Court, it shall be the duty of the Attorney General to bring suit on such bond, and the authority of said company to do business in Iowa shall be revoked for two years.

SEC. 5. The provisions of this act shall apply to all actions brought on policies issued after the taking effect of this act, anything in the policy to the contrary notwithstanding.